

ADMINISTRATION	00-01-10-05:00	1	4
CODE OF ETHICS: GENERAL CONDUCT	07/01/87	03/30/92	

I. PURPOSE

To set policy determining a Code of Ethics to govern and guide the conduct of the University's trustees, faculty and staff members.

II. ACCOUNTABILITY

Under the direction of the President, the Senior Vice President for Administration and Finance is to ensure compliance with this policy.

III. POLICY

A. Requirements:

1. This Code of Ethics shall be applicable to all Trustees, officers (President, Deans, Vice Presidents), Academic Department Chairmen, Administration Department Heads, faculty and staff members (including residents enrolled in graduate medical education programs) and for students when performing functions under the authority of or acting on behalf of the University.
2. Whenever a question arises concerning the implementation and applicability of this Code of Ethics, it is recommended that, prior to active participation, counsel be obtained from the Senior Administrative Officer of your school or operating unit and that continuing questions be referred to the Senior Vice President for Administration and Finance.
3. All Trustees, officers, faculty and staff members of the University of Medicine and Dentistry of New Jersey and students when performing functions under the authority of or acting in behalf of the University shall conform to the following general standards:
 - a. No University trustee, officer, faculty or staff member shall have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction, or professional activity which is in substantial conflict with the proper discharge of his or her duties in the public interest.

- b. No University trustee, officer, faculty or staff member shall engage in any particular business, profession, trade, or occupation which is subject to licensing or regulation by a specific agency of the State Government without promptly filing notice or such activity with the Office of the Senior Vice president for Administration and Finance (in that officer's capacity as liaison officer to the Executive Commission on Ethical Standards), and the Executive Commission on Ethical Standards.
 - c. No University trustee, officer, faculty or staff member shall use or attempt to use his or her position at the University to secure unwarranted privileges or advantages for himself, or others.
 - d. No University trustee, officer, faculty or staff member shall act in his or her official capacity in any matter wherein he or she has a direct or indirect personal financial interest which might reasonably be expected to impair his or her objectivity or independence of judgment.
 - e. No University trustee, officer, faculty or staff member shall accept any gift, favors, services or other things of value under the circumstances from which it might be reasonably inferred that such gifts, services, or other thing of value was given or offered for the purpose of influencing him or her in the discharge of his or her official duties.
 - f. No University trustee, officer, faculty or staff member shall undertake any employment or service, whether compensated or not, which might reasonably be expected to impair his or her objectivity and independence of judgment in exercise of official duties.
 - g. No University trustee, officer, faculty or staff member shall knowingly act in any way that might reasonably be expected to create the impression or suspicion among the public having knowledge of his or her acts that he or she might be or may be engaged in conduct violative of his or her trust as a University officer, faculty or staff member.
4. In addition to the above general statements, faculty or staff members may find themselves involved in specific situations which relate to their role as healthcare personnel and health professions educators. In such situations individuals may be called

upon to give testimony, opinion, or counsel in special areas. The following guidelines are applicable to such situations:

- a. Nothing contained in these guidelines shall prevent an individual from providing testimony, opinion or counsel when called upon as an eye witness to an occurrence.
 - b. In private cases, the individual faculty or staff member must make decisions that depends on his or her own personal desires and involvement with the situation as indicated and based upon personal desires, expertise, and availability.
 - c. When asked to serve as an expert witness in favor of the State, the individual must make his or her decision based upon personal desires, expertise, and availability.
 - d. When the individual is requested to provide expert testimony, opinion, or counsel, and the State would have an adverse interest, the following guidelines must be followed:
 - i. Involvement by individuals must not assume aspects that would be in contradiction to New Jersey Conflicts of Interest Law, *N.J.S.A. 52:13-12 et seq.*, as amended. Copies are available in the libraries at each of the campuses, Office of Legal Management, the Senior Vice President for Administration and Finance, and the President.
 - ii. Any faculty or staff member who shall be providing expert testimony, opinion or counsel in which the State would have an adverse interest shall give prior notice thereof to the Senior Vice President for Administrative and Finance.
 - iii. Reimbursement may be provided to the individual faculty or staff member.
 - iv. In any case, the faculty or staff member may seek an advisory opinion from the Executive Commission on Ethical Standards.
5. No University trustee, officer, faculty or staff member shall knowingly himself/herself, or by his/her partners or through any corporation which he/she controls or in which he/she owns or controls more than 1% of the stock, or by any other person for

his/her use or benefit or on his/her account, undertake or execute, in whole or in part, any contract, agreement, sale or purchase of the value of \$25.00 or more, made, entered into, awarded or granted by any State agency, except:

a. Any contract, agreement, sale or purchase which is permitted pursuant to the provisions of *N.J.S.A. 52:13D-19* or *N.J.S.A. 52:13D-19.2* as amended:

or

b. Any faculty member or his/her partners or any corporation or firm in which he/she owns or controls more than 1% of the stock, assets or profits may enter into a contract or agreement with the University where the contract or agreement is for the development of scientific or technological discoveries or innovations in which the University has a property right, if the contract or agreement receives approval in accordance with the procedures set forth in Attachment A to this Code of Ethics.

6. All individuals governed by this code of ethics are required to comply with all the provisions and requirements of the New Jersey Conflicts of Interest Law, *N.J.S.A. 52:13D-12 et seq.*, as amended.
7. These guidelines have been promulgated in recognition that under our democratic form of government, public officials and employees should be drawn from all of our society, that citizens who serve in government cannot and should not be expected to be without any personal interest in the decisions and policies of government; that citizens who are government officials and employees have a right to private interests of a personal, financial, and economic nature; that standards of conduct should separate those conflicts of interest which are unavoidable in a free society from those conflicts of interest which are substantial and material, or which bring government into disrepute.
8. This Code of Ethics is provided as a mandatory guidelines and to call attention to all trustees, officers, faculty and staff members and students of the University of potential conflict of interests and legal jeopardy involved.

By Direction of the President:

Senior Vice President for Administration and Finance

Board of Governors Approved
February 12 1993

FACULTY OR STAFF INVOLVEMENT WITH COMMERCIAL ENTERPRISE -
CONTRACTS WITH THE UNIVERSITY

A. Introduction.

There are times when a faculty or staff member's involvement with commercial enterprise may exceed the usual relationships developed as part of normal duties, in professional affiliations, or in a consulting role, and thus may not be covered by other provisions of University ethics regulations or policies, or by the University's patent and copyright policies. The propensity for such involvement has increased as the potential to develop commercial enterprises to market university research-based technology has increased. The University recognizes that such involvement can be and has been of significant benefit to the University, the faculty or staff member, the commercial entity, the general public, and the economy of the State of New Jersey and encourages worthwhile technology transfer.

Involvement with commercial enterprise also offers the potential for conflicts of interest and time, for inhibition of free exchange of information, and for interference with the faculty or staff member's primary allegiance to the University and its mission. This potential is most likely to exist when a proposed agreement closely relates to the faculty or staff member's area of academic work.

An essential part of the University's commitment to encouraging worthwhile technology transfer is protection of the University's integrity and its primary goals of education and open inquiry. Toward this end, this Section of the University's Code of Ethics prescribes a disclosure and approval process for faculty or staff involvement with commercial enterprise wherein the faculty or staff member or a member of the faculty or staff member's family holds a financial interest of greater than 11 in any organization, firm, corporation or partnership which wishes to enter into a contract or agreement with the University. The policy recognizes the need for flexibility and the difficulty of anticipating all situations which may arise by leaving discretion to the University to interpret the policy and weigh the potential risks of conflict of interest against the potential benefits to the University.

B. Review Procedure.

1. Applicability. In order for the University to have an opportunity to evaluate carefully the benefits and burdens of a faculty or staff member's equity interest in a commercial enterprise which seeks to enter into an agreement with the University, all faculty members must request prior approval, in writing, from their Department Chair (or Director or unit head) when such an agreement is contemplated. Staff must request prior approval from their unit head. (The applicable procedure is more fully set forth in paragraph 8.4.) Contracts or agreements for which approval must be sought include:

- a. Ownership of substantial equity (greater than 1%) in a commercial enterprise that carries on business activities with the University; and
- b. Ownership of substantial equity (greater than 1%) in a commercial enterprise by a member of a faculty or staff member's immediate family, that wishes to carry on business activities with the University.

2. Disclosure and Information Requirement.

Faculty or staff requests for approval of such contracts or agreements shall disclose fully to the Department Chair (or Director or unit head) the following aspects of the affiliation:

- a. Nature of the relationship;
- b. Short and long-term commitment of time and effort;
- c. Financial aspects, including the extent of compensation, equity, and indirect and/or potential economic value;
- d. Expected benefit to the commercial enterprise;
- e. Expected benefits to the faculty or staff member, the University, the public and the State of New Jersey.
- f. The names of all other individuals who have an interest in the commercial enterprise.

3. Factors and Considerations. Consideration should be given to the following major issues when evaluating such requests from faculty or staff members:

- a. There should be prospective benefits to the faculty or staff member and the University;
- b. The relationship should not interfere with the faculty or staff member's primary obligation to his or her University appointment, nor should it undermine the academic integrity of the University.

c. There must be no foreseeable inappropriate reorientation of academic programs or student direction. Special attention must be given to protecting the intellectual property of students and in protecting students from performing work under any such contract or agreement which is out of proportion to the benefits received by the student for their performance of the work.

d. There should be free access to the results of all research conducted at the University, subject only to reasonable restrictions related to protection of intellectual property.

e. Except under extraordinary circumstances, holding of a line management position or participation in day-to-day operations within a commercial enterprise with which the University does or will do business should not be approved.

f. Alternative arrangements, in which a conflict of interest does not exist, should be explored.

g. Such contracts or agreements shall not be negotiated by the subject faculty member on behalf of the commercial enterprise.

4. Approval Procedure. Faculty shall submit a request for approval, accompanied by the required disclosures and information, to their Department Chair (or Director or unit head). In the event that the Chair finds the disclosure inadequate to evaluate the request, the Chair shall request further information. The information disclosed by the faculty member and a record of recommendation of the Department Chair on the faculty member's request shall be submitted to the Dean, ordinarily within thirty working days of receipt of the request for approval. In considering requests for approval of these contracts or agreements, the Chair or Dean may consult with representative faculty within the department to ensure that the request is consistent with departmental goals. The Dean shall forward his/her recommendation to the Vice President for Research for final decision. The Dean shall also forward his/her recommendation to the Campus Provost who shall advise the Vice President for Research. The Vice President for Research may seek the advice of legal counsel, the Research Advisory Board, or an advisory committee which may be formed for such purposes, and/or the Executive Commission on Ethical Standards as warranted. The Vice President for Research shall ordinarily render a decision within six months of receipt of the request for approval of the proposed contract or agreement. In the event a proposed contract or agreement is disapproved, an appeal may be made to the University Vice President for Academic Affairs. Staff shall submit a request for approval to their unit head, who shall forward their recommendation through their superiors, ultimately to the Vice President for Research.

C. Usual Exemptions.

1. The following activities are generally exempt from the provisions of this Section unless they represent a potential conflict of interest, time, or

allegiance with the faculty or staff member's University position. Such activities, however, remain subject to other applicable provisions of the New Jersey Conflict of Interest Law, N.J.S.A. 52:13D-12 et seq., and the University's ethics regulations and policies:

a. Minor stock holdings (no more than 1%).

b. Uncompensated service on boards of directors. The Department Chair (or Director or unit head) may also exempt compensated service on company boards if he or she finds that it does not conflict with the faculty or staff member's University position. In the event that the Department Chair finds there to be a substantial conflict issue, the Chair shall submit the matter to the full review procedure set forth in Section B.4.

c. Ownership of or equity in a corporation used solely for the faculty member's consulting activities.

2. Faculty members on leave without pay or during unpaid summer months continue to represent Rutgers University in the eyes of the public. The provisions of the University's ethics regulations and policies are applicable during these periods. During these times, therefore, faculty members are still required to request approval for any contracts or agreements covered by this Policy.

D. Reports to University Board of Governors.

All contracts and agreements approved under this procedure shall be periodically reported to the University's Board of Governors following such approval.

E. Annual Review.

1. Each faculty or staff member who has received approval for any arrangement under this section of the Code of Ethics during the preceding calendar year shall submit a summary of activities undertaken to his/her department chairperson by January 15th of the year next following such approval, and annually thereafter, with a copy to the Dean and the University Vice President for Academic Affairs. Department Chairs should closely monitor on-going relationships to ensure the minimizing of detrimental conflicts.

2. Following receipt of Department Chair's reports, the Deans shall review the arrangements of faculty members in their schools approved under this Section and prepare a report for the University Vice President for Academic Affairs. The report shall be submitted to the University's Board of Governors.

3. The annual summary of faculty and staff involvements with commercial enterprise under this section shall be made available by the University's

Board of Governors to the Executive Commission on Ethical Standards, and to the Legislature as required by law.